

CARR & FERRELL LLP**ATTORNEYS AT LAW**2200 GENG ROAD • PALO ALTO, CALIFORNIA 94303
TELEPHONE (650) 812-3400 • FACSIMILE (650) 812-3444**RECEIVED
CENTRAL FAX CENTER**

JUL 21 2008

FACSIMILE COVER SHEET**Company:** United States Patent & Trademark Office
Fax Number: (571) 273-8300**From:** K. Brian Bathurst
Phone Number: (650) 812-3400
Fax Number: (650) 812-3444**RE: Our Ref:** PA3817US**Date:** July 21, 2008**Total pages:** 6 (includes cover sheet)

=====

THIS MESSAGE IS INTENDED ONLY FOR THE USE OF THE INDIVIDUAL OR ENTITY TO WHICH IT IS ADDRESSED, AND MAY CONTAIN INFORMATION THAT IS PRIVILEGED, CONFIDENTIAL AND EXEMPT FROM DISCLOSURE UNDER APPLICABLE LAW. IF THE READER OF THIS MESSAGE IS NOT THE INTENDED RECIPIENT, OR THE EMPLOYEE OR AGENT RESPONSIBLE FOR DELIVERING THE MESSAGE TO THE INTENDED RECIPIENT, YOU ARE HEREBY NOTIFIED THAT ANY DISSEMINATION, DISTRIBUTION OR COPYING OF THIS COMMUNICATION IS STRICTLY PROHIBITED. IF YOU HAVE RECEIVED THIS COMMUNICATION IN ERROR, PLEASE NOTIFY US IMMEDIATELY BY TELEPHONE, AND RETURN THE ORIGINAL MESSAGE TO US AT THE ABOVE ADDRESS VIA THE U.S. POSTAL SERVICE. THANK YOU.

=====

MESSAGE:**Please see attached for patent application number 09/923,035.**

PTO/SB/21 (01-08)

Approved for use through 02/29/2008. OMB 0861-0031

U.S. Patent and Trademark Office; U.S. DEPARTMENT OF COMMERCE

Under the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number.

TRANSMITTAL FORM (to be used for all correspondence after initial filing)	Application Number	09/923,035	RECEIVED CENTRAL FAX CENTER JUL 21 2008
	Filing Date	August 6, 2001	
	First Named Inventor	John Nafeh	
	Art Unit	3692	
	Examiner Name	Eida G. Miles	
Total Number of Pages in This Submission	5	Attorney Docket Number	PA3817US

ENCLOSURES (Check all that apply)		
<input type="checkbox"/> Fee Transmittal Form <input type="checkbox"/> Fee Attached <input checked="" type="checkbox"/> Amendment/Reply <input type="checkbox"/> After Final <input type="checkbox"/> Affidavits/declaration(s) <input type="checkbox"/> Extension of Time Request <input type="checkbox"/> Express Abandonment Request <input type="checkbox"/> Information Disclosure Statement <input type="checkbox"/> Certified Copy of Priority Document(s) <input type="checkbox"/> Reply to Missing Parts/ Incomplete Application <input type="checkbox"/> Reply to Missing Parts under 37 CFR 1.52 or 1.53	<input type="checkbox"/> Drawing(s) <input type="checkbox"/> Licensing-related Papers <input type="checkbox"/> Petition <input type="checkbox"/> Petition to Convert to a Provisional Application <input type="checkbox"/> Power of Attorney, Revocation Change of Correspondence Address <input type="checkbox"/> Terminal Disclaimer <input type="checkbox"/> Request for Refund <input type="checkbox"/> CD, Number of CD(s) _____ <input type="checkbox"/> Landscape Table on CD	<input type="checkbox"/> After Allowance Communication to TC <input type="checkbox"/> Appeal Communication to Board of Appeals and Interferences <input type="checkbox"/> Appeal Communication to TC (Appeal Notice, Brief, Reply Brief) <input type="checkbox"/> Proprietary Information <input type="checkbox"/> Status Letter <input checked="" type="checkbox"/> Other Enclosure(s) (please identify below): 1) Fax Cover Sheet.
Remarks Total page numbers does not include fax coversheet.		

SIGNATURE OF APPLICANT, ATTORNEY, OR AGENT

Firm Name	Carr & Ferrell LLP			Cust. No. 22830
Signature	<i>K. Brian Bathurst</i>			
Printed name	K. Brian Bathurst			
Date	July 21, 2008	Reg. No.	51,442	

CERTIFICATE OF TRANSMISSION/MAILING

I hereby certify that this correspondence is being facsimile transmitted to the USPTO or deposited with the United States Postal Service with sufficient postage as first class mail in an envelope addressed to: Commissioner for Patents, P.O. Box 1450, Alexandria, VA 22313-1450 on the date shown below:			
Signature	<i>K. Brian Bathurst</i>		
Typed or printed name	K. Brian Bathurst, Reg. No. 51,442	Date	July 21, 2008

This collection of information is required by 37 CFR 1.6. The information is required to obtain or retain a benefit by the public which is to file (and by the USPTO to process) an application. Confidentiality is governed by 35 U.S.C. 122 and 37 CFR 1.11 and 1.14. This collection is estimated to 2 hours to complete, including gathering, preparing, and submitting the completed application form to the USPTO. Time will vary depending upon the individual case. Any comments on the amount of time you require to complete this form and/or suggestions for reducing this burden, should be sent to the Chief Information Officer, U.S. Patent and Trademark Office, U.S. Department of Commerce, P.O. Box 1450, Alexandria, VA 22313-1450. DO NOT SEND FEES OR COMPLETED FORMS TO THIS ADDRESS. SEND TO: Commissioner for Patents, P.O. Box 1450, Alexandria, VA 22313-1450.

If you need assistance in completing the form, call 1-800-PTO-9199 and select option 2.

**IN THE UNITED STATES PATENT AND TRADEMARK
OFFICE****RECEIVED
CENTRAL FAX CENTER****JUL 21 2008**

APPLICANTS: John Nafeh and Kenton K. Yee
SERIAL NO.: 09/923,035
FILING DATE: August 6, 2001
TITLE: Methods and Apparatus for Formulation, Initial Public or Private
Offering, and Secondary Market Trading of Risk Management
Contracts
EXAMINER: Milef, Elda G.
ART UNIT: 3692
CONF. NO.: 8962
ATTY.DKT.NO.: PA3817US

CERTIFICATE OF FACSIMILE UNDER 37 C.F.R. § 1.8

The undersigned hereby certifies that this paper is being faxed to the United States Patent Office at
1.571.273.8300 on July 21, 2008.


K. BRIAN BATHURST, REG. NO. 51,442

COMMISSIONER FOR PATENTS
P.O. BOX 1450
ALEXANDRIA, VA 22313-1450

STATEMENT OF THE SUBSTANCE OF THE INTERVIEW

In response to the *Examiner's Interview Summary* mailed July 11, 2008, the Applicants
provide the present statement of the substance of the interview.

On July 3, 2008, the Applicants' undersigned representative and Examiner Milef conducted a telephonic interview. The Applicants' undersigned representative thanks the Examiner for her time, comments and courtesy with respect to the interview.

During the course of the interview, the Applicants' undersigned representative noted that Applicants' amended claims are patentable over U.S. Patent Application Publication No. US 2002/0042770 A1 to Van Slyke et al. ("Van Slyke") because Van Slyke does not teach or suggest *establishing a contract bundle paying off an aggregate fixed sum at maturity*. Instead, Van Slyke Paragraph Nos. 268-269 teaches establishing an *unbundled* Liquid Insurance Contract ("LIC") that optionally may later be bundled with another already established (and unbundled) LIC (i.e., "[i]t is also possible to create derivatives from multiple *existing* LICs. Some examples include: bundling many LICs to create a portfolio LIC, such as a Nationwide Auto Insurance LIC which bundles LICs from many different issuers..."(emphasis added).

Additionally, the Applicants' representative also noted that even if Van Slyke optionally bundles two already established LICs, this bundle will not have an aggregate fixed sum that is *known when the contract bundles are established*. Indeed, Van Slyke's abstract expressly states that (emphasis added): "A liquid insurance contract (LIC) comprises a security which is traded or tradable and which has cash flows to the issuer based upon a liability whose exact value is *unknown* at the time of issuance."

In response, the Examiner indicated it would be helpful if Applicants clarified within their independent claims the limitation of *the aggregate fixed sum at maturity known when the contract bundles are established*. The Examiner also indicated that she would consider Applicants' amended claims incorporating such a limitation, provided the amended claims were timely submitted. Accordingly, Applicants amended their independent claim nos. 1 & 28 and mailed their amended claims and remarks to the Examiner on July 3, 2008. The USPTO's Private PAIR system indicates said amendment and remarks were uploaded on July 7, 2008.

Also during the course of the interview, Applicants' representative reviewed with the Examiner the issue raised by the Examiner and her Supervisor during the Examiner Interview of December 13, 2007. Specifically, the Examiner and her Supervisor apparently perceived some ambiguity with respect to Applicants' previous claim language of "paying an aggregate fixed sum at maturity." For example, it was suggested such language could be perceived as meaning that a holder (or holders) of separate contracts in a contract bundle would *pay* an aggregate fixed sum at maturity *for* an underlying basis of the contract bundle (such as a particular product or service), rather than the separate contracts in the contract bundle *paying off* an aggregate fixed sum at maturity to the holder or holders of the separate contracts within the contract bundle. In response, Applicants previously amended claims 1, 7, 28 and 114 to address this issue. These limitations remain within the claims presently pending before the Examiner. Consequently, Applicants believe this issue has been resolved.

**RECEIVED
CENTRAL FAX CENTER**

JUL 21 2008

CONCLUSION

Based on the foregoing remarks, Applicants believe the application is in condition for allowance. If the Examiner has questions regarding the case, the Examiner is invited to contact Applicants' undersigned representative at the number given below.

Respectfully submitted,
John Nafeh and Kenton K. Yee

Date: July 21, 2008By: K. Brian Bathurst

K. Brian Bathurst, Reg. No. 51,442
Carr & Ferrell LLP
2200 Geng Road
Palo Alto, CA 94303
Phone: (650) 812-3400
Fax: (650) 812-3444